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AUGUST 5, 1970

Office of the White House Press Secretary

THE WHITE HOUSEMEMORANDUM FROM THE PRESIDENT
TO HEADS OF DEPARTMENTS AND
AGENCIES

AUG 1970

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MEMORANDUM FOR THE HEADS OF DEPARTMENTS AND AGENCIES

Subject: Improving Federal Reporting and Reducing Related Paperwork

Since my inauguration, I have repeatedly stressed the need to streamline the management activities of the executive branch. As an important part of this effort, I am requesting all agencies and departments to participate in a Government-wide project to analyze paperwork requirements and discard those reports that fail to meet rigorous standards of need. In addition, we must examine our information control system and develop efficient alternatives to traditional reporting methods.

I have therefore established two goals for fiscal year 1971:

- (1) A reduction of five million man-hours in the time expended by the public in filling out administrative forms and inquiries under the Federal Reports Act.
- (2) A reduction of 200 million dollars in executive branch funds expended for reporting and related paperwork.

The Office of Management and Budget has issued instructions to you implementing this project. Mr. Kunzig, Administrator, General Services Administration, will assume the lead in coordinating this project.

I expect all of you to give this effort your full support and to report your accomplishments to me by the end of fiscal year 1971.

/s/ Richard Nixon

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OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE

OR

DWIGHT A. INK, ASSISTANT DIRECTOR
FOR EXECUTIVE MANAGEMENT, OFFICE
OF MANAGEMENT AND BUDGET,

AND

NORMAN S. PETERSON, STAFF ASSISTANT,
OFFICE OF MANAGEMENT AND BUDGET

THE BRIEFING ROOM

AT 5:20 P.M. EDT.

MR. ZIEGLER: Earlier, as you collectively know, we issued a memorandum from the President to heads of departments and agencies. I apologize for not having the detailed information to respond to the questions on it.

I might add that I do agree that they were legitimate questions. I did not have the information, however.

Mr. Ink and Norman Peterson of the Office of Management and Budget are here. They do have the information on it and I think they can answer your questions.

We have the questions here. I am sure you will probably recall what they are.

There was one other point which was brought up in the earlier session. The question was asked by Mr. Gill whether or not the filling out of a form every twelve minutes by Justice was one of the things involved here, and I said that I understood that had been stopped.

Let me clarify that portion. In talking to Mr. Kleindienst after this, I understand there was some question on it. He tells me there was never a requirement to fill out forms every twelve minutes. This is what I was referring to.

What they intend to do and are doing was to determine the proportion of the amount of time that is spent on each case. They intend to have this process completed and phased out by October because by that time they will have the factual information that will allow them to go before Congressional committees to indicate to the committees the need for lawyers for the Justice Department to deal with cases.

The thing that Bill brought up and that I responded to, perhaps too hastily, was the twelve minute segment. But as you recall, at the time there was a big story about filling these forms out every twelve minutes. That was what was never requested and that report was discussed, but that is not the case and was not at that time.

But the other reporting on how much time the lawyers spend on each case is still continuing and will be phased out in October.

Q The thought is that the results have indicated that they do need more attorneys to handle the case load, is that it?

MR. ZIEGLER: The objective of the process is to then allow the Justice Department to have a good report on how much time lawyers spend on each case, and then they can use this in their Congressional testimony as factual information to provide to the committees who, of course, will be interested in this to determine budgeting and so forth, for lawyers in the Justice Department.

Q I got the impression that you were suggesting that this would be a defense for hiring more lawyers to handle the work involved.

MR. ZIEGLER: That is the purpose. In other words, if it does show, they will have the data to determine how much time lawyers spend on cases. They know how many cases they are going to have and then they can draw the conclusions and discuss it with the various Congressional committees.

Mr. Ink, I will turn it over to you now.

Do you want to begin with a question?

Q Yes. Can you tell us if the paragraph which says that a reduction of five million manhours and the time expended by the public in filling out administrative forms is an indication that you want to streamline forms and make them easier to fill out so that large amounts of time can be put out, or are you going to try and cut forms completely, or what are you trying to do?

MR. INK: We are interested in eliminating wherever possible forms in their entirety, although in many cases I am sure we will find that we are unable to do that, but can, nonetheless, streamline and simplify the form and make it not only easier for the public to handle, but also, in most instances we would hope it would cut down the amount of time that is required on the part of Federal employees in processing forms.

Q Can you give us some examples? You must have looked over forms that you think can be simplified?

MR. INK: Yes. One of the tests for what we are talking about here, a very important one, as a matter of fact, is the effort which the President directed last year to get underway toward streamlining the administration of assistance to States and local governments. This amounts to about \$27 billion a year in the form of various kinds of aids to State and local government.

It is an area which is characterized by red tape. It is an area which has developed over the years in a very piecemeal fashion, and hundreds of different programs have developed equipment with its own set of requirements and procedures, so many requirements placed upon State and local governments that no one has ever counted it totally.

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Now, in that, we found during the past year a number of changes and improvements have been made. Some of you may have seen the report, "Simplifying Federal Aid to States and Communities." We have a few extra copies here.

We found that in programs such as urban renewal a number of procedural requirements could be eliminated. We found that different programs are asking communities for the same kind of information, population data, over and over again.

We find that in the accounting field we are asking them to report funds back along a number of different accounting breakdowns. One of the specific areas in which we have had experience is the Partnership for Health Grant Consolidation Program in HEW in which nine separate areas were consolidated. That was through legislation and as a result, nine different systems were supplanted by one.

So, we do have some background of experience here, and the President and Mr. Shultz are familiar with this, all of which encouraged us to extend some of the kinds of scrutiny of paper work and reports to other areas.

Q: Can you put those two figures that are used -- I don't have them before me -- in percentages or what magnitude are they in, in terms of the total?

MR. INK: This is talking about the first year, 1971. I think it is a fairly modest goal, but an important goal, five million manhours, which according to our best estimates, and I would stress that these are not precise figures, but our best estimate is that the number of manhours that are expended in filling out forms under the Federal Reports Act is about in the neighborhood of roughly 100 million manhours.

Q: Would that include local government and State government as well as the public? That refers to the public?

MR. INK: Yes. . .

Q: Do you mean for everything outside the Federal Government?

MR. INK: Yes, but it does not include all forms because there are some important forms which are not included under the Federal Reports Act. I believe the income tax, for example, is not included under the Federal Reports Act.

Q: But 100 million public manhours are spent each year?

MR. INK: Yes, by people outside the Federal Government

Q: That is five percent of the total. Are you looking towards an eventual goal of having a standard reporting system such as a city, for instance, could make up a report of the various information one time and send copies to every necessary Government office?

MR. INK: We hope we can do that, and as a matter of fact, we have a project underway now in which we have State and local officials who are working with us and some of the accountin

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associations who are working with us over the next years, as a part of the streamlining program, to see how far we can go in that direction.

It would be my guess that we cannot move from, on the one extreme, these thousands and thousands of requirements that I mentioned earlier, which no one has been able to count, to the other ideal extreme of one standard form.

I doubt that that is realistic. I am confident that we can reduce very significantly the number of different requirements that are placed upon us.

Q Didn't President Johnson put out a similar order to this?

MR. INK: There have been orders in the past; however, there has never been to date the kind of broad systematic program that we have had over the last year or so, dealing with this \$27 billion area of grants-in-aid. This is far more comprehensive and systematic than anything which has been done to date.

We want to extend some of that kind of activity in other areas. Now I say some, because there are some kinds of activities here that are peculiar to the grant-in-aid programs. For example, this effort included the establishment of common regional boundary for socially oriented areas across the nation, HEW, HUD, OEO, Small Business Administration, the setting up of regional councils.

We are not talking about extending that kind of thing. We are here talking about the specific area of forms and reports, the paper work part of it.

Q On the reduction of \$200 million, do you have a total there?

MR. PETERSON: Yes, our best estimate on reporting costs government-wide right now is approximately \$4 billion.

MR. INK: But I would stress that the \$4 billion is a very rough estimate.

Q Would that include the income tax?

MR. INK: That would include the processing, the Federal processing of the income tax, but not the public time.

MR. PETERSON: All cost figures as cited are Government cost figures.

Q And they include processing, the Internal Revenue Service processing costs, do they?

MR. PETERSON: Yes. The \$4 billion figure is all reporting within the Government.

MR. INK: But I would stress again, use the \$4 billion with caution, because the information with respect to the number of reports and the cost of these reports throughout the Federal Government is not developed to the point that those are reliable figures.

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Q This would also not include interoffice memoranda and other types of paper work not under this Federal Reporting Act?

MR. INK: No, that is right.

Q There is no chance we can presume that this simplification will be something like the IRS simplification of 1040 form, which really seemed to be more of a burden than a relief? (Laughter)

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MR. INK: Let me answer it by saying we may find that in some of the steps taken to date that we have not made a net saving, but so far all of them that we are getting any feed-back from, State and local people have been very favorable, the Governors' groups, the Mayors' groups, the city groups. If any of you are interested, I would suggest that you call the Conference of the League of Cities, the Conference of Governors and those groups.

We have heard back from them that so far the results have been very good. We still have a long way to go, of course.

Q Are you in a position to give us any examples of the kind of directives that have come from Mr. Shultz's office in terms of implementation?

MR. INK: We have a circular which has gone out and on which agencies have been, over the last several weeks, planning and developing plans in anticipation of this extension of the program.

We also have nearby the Presidential Directive of a year ago, March 27, which was in effect the kick-off of the first important area which, as I said earlier, dealt with streamlining the grant-in-aid process. These are available and we can have one of our girls bring copies of those over immediately following this discussion.

But in that the President said and directed the agencies that are most involved in State and local programs, together with what was then the Bureau of the Budget, to undertake this program which, among other things, would seek to eliminate every step possible and where steps could not be eliminated, to simplify and streamline them.

Q \$5 million does not relate to the grant-in-aid programs, or does it?

MR. INK: The \$5 million is a totality of outside the Federal Government. It could include individuals, forms that individuals fill out, or forms that State and local Government fill out, provided it is under the Federal Reports act. That is out of roughly \$100 million.

As I said, these total figures -- no one has a system developed at this point which gives precise overall numbers.

Q Has the streamlining of the grant-in-aid program already made some inroads in this kind of thing you are trying to do here?

MR. INK: During the last year, yes, it has.

Q Can you give us some idea?

MR. INK: We do not have totals drawn together yet. We have the number of examples and again, this will give you some indication of that.

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Q How about the census forms? Does this look to a more simple form than the one that had so many, embers of Congress climbing the walls?

MR. PETERSON: I believe that is excluded, also.

MR. INK: We will check that for you.

MR. PETERSON: On the public reporting, which seems to catch everyone's interest, that Act that we keep referring to assigns to the Office of Management and Budget a responsibility to clear most forms that are imposed on the public as reporting requirements.

However, Congress saw fit to exclude in that Act a number of specific types of reporting. One is the IRS requirements and another is many of the banking forms and so forth. Largely, those things that are included with the independent regulatory agencies make up the exclusions.

As far as the basis of the manhour reductions, we are talking about an inventory slightly in excess of 5,000 reports and forms that we control that are required from the public and this is the basis that we hope to take out the 5 million manhours that the public is presently putting into that base of 5,000 reports.

Q Can you give us a figure of how many reports you might end up with, less than 5,000, when you get through with your process form?

MR. PETERSON: This is public reporting and our early explorations make this difficult to answer because we find -- and I do not have these figures on the tip of my tongue -- but we find that generally speaking it is relatively few reports out of the 5,000 that are causing most of the manhours to be consumed. This is why we chose and recommended to the President that he use manhours as a goal, because if you just talk about reports it might not mean very much, but if you talk about manhours we have a pretty good measurement.

MR. INK: Yes, using the number of reports as a criterion, number one, there is this problem that one might leave pretty well intact the reports that are creating the most problem and drawing most heavily upon the time of people and State and local institutions, and secondly, getting back to your earlier point, we also want to provide an incentive for cutting down on the amount of time that has to go into report filling, even when the report cannot be eliminated, so the manhour is a means of doing that.

We will have, however, a count at the end of the year, as to how many reports have been eliminated, even though our objective is stated in terms of manhours. We will have both accounts of the number of reports eliminated and the number of reports which have been streamlined.

Q Ron may have given this background, but what is Mr. Peterson's title?

MR. INK: He is on my staff. He also works with the President's Advisory Council on Management Improvement, whom we have worked, by the way, on some aspects of this. I might also say that we are looking to the Archives group in the General Services Administration for some work in the

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paperwork part of this under the broad cognizance of the Office of Management and Budget.

MR. ZIEGLER: I think all the questions that came up that I could not answer have been answered, except for the fact that John Osborne asked what the genesis of this particular memo was; did it come from the Office of Management and Budget? I think that is self-explanatory.

MR. INK: The original genesis is from the President. This particular proposal came from the Office of Management and Budget as a further response to the President's March directive. In part, however, that was the initial thrust of it. It resulted also from a meeting several of us had with the President over a year ago in which he stressed his concern about the amount of paper work, not only in the Federal Government, which he thought was creating a hidden cost in the activities of the Federal Government, but also the burden that it placed upon the general public and upon State and local officia. He asked us to do something about it with the caveat that they not follow the traditional approaches which he thought had not, for the most part, been effective.

Some of them had been useful, but he felt they did not dig deep enough or had not gone far enough. He has developed this far-reaching effort which was the first stage, which has had very promising results and the paperwork part of that now we are extending in other areas.

I would like to also say that some Departments do have paperwork efforts underway, some of them quite useful and some of them not very useful and this is a coordinated, concerted attack on paperwork. We hope after the first year's experience we can do even better next year.

Q That \$4 billion, is that the total cost to the Government of all paper work?

MR. INK: Not all paper work.

Q Is it all "red tape"?

MR. PETERSON: The National Archives and Records Service which by statute has responsibility for advising the President in this area, their best estimate is that the cost of all reporting in the Federal Government today is in the area of \$4 billion. They estimate the current cost of all paperwork in the Government, including the reporting, to be in the area of \$8 billion to \$10 billion. But I emphasize, these are educated gueses.

MR. INK: That is right. We do not regard this all as "red tape." There is a lot of "red tape" in it, in our judgment, but some of these are very necessary.

MR. PETERSON: Mr. Ziegler wants me to remind you that that figure includes the Congressional paper work, also.

MR. ZIEGLER: That is Government-wide, not the Executive Branch. We are going to follow this procedure and cut our postings by five percent.